
REFERENCE/RESOURCE DATA

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REFERENCE/RESOURCE DATA

INTRODUCTION

The Reference/Resource Data are utility files used by HCFA in conjunction with administrative and analytic files. The files contain various kinds of indices, standards, and coding systems. There are two file groups in the Reference/Resource Data chapter: Payment Policy Files and Other Reference/Resource Data Files. The Payment Policy Files are used to set Medicare reimbursement rates. A variety of reference information is contained in the Other Reference/Resource Data files. These file groups and the files within them are discussed below.

PAYMENT POLICY FILES

The data in the Payment Policy Files are used by HCFA to set Medicare reimbursement rates. These rates are essential to the claims payment process. The following files are included in this group:

- ! Medicare Plus Choice (MPC) Rates File
- ! Diagnosis Related Group (DRG) File
- ! Geographic Practice Cost Index (GPCI) File
- ! HCFA Common Procedure Coding System (HCPCS) File
- ! HCFA Medicare Case-mix Index File
- ! International Classification of Diseases-9th Revision-Clinical Modification (ICD-9-CM) Diagnosis Codes File
- ! International Classification of Diseases-9th Revision-Clinical Modification (ICD-9-CM) Procedure Codes File
- ! Relative Value Units (RVUs) of the Medicare Physician Fee Schedule File
- ! Hospital Wage Indices File

Medicare Plus Choice (MPC) Rates File

The MPC Rates File contains per capita Medicare reimbursement rates computed for each county. These per capita rates, called MPC rates, are used to set payment rates for risk-based Health Maintenance Organizations (HMOs) within a given county. The methodology used to determine MPC rates includes adjustments for age, sex, Medicare status, and institutional status of Medicare MPC beneficiaries in a county. Starting in 2000, adjustments will be made for health status as well.

Diagnosis Related Group (DRG) File

The DRG File contains DRG codes and relative weights based on a patient classification scheme. The file provides a means of relating type of patients treated to costs incurred by a hospital. DRGs are the basis for Prospective Payment System (PPS) rates to short stay hospitals.

Geographic Practice Cost Index (GPCI) File

The GPCI File contains GPICs for all Medicare localities. GPICs are used in conjunction with Relative Value Units (RVUs) and a conversion factor to compute payment amounts for services covered under the Medicare physician fee schedule. GPICs reflect the relative local cost of a service as compared to the national average cost, and are used to adjust national RVUs to reflect local costs. Three GPICs are computed for each locality to correspond to each of the three components of the total RVU for a service: physician work, practice or overhead expenses, and professional liability insurance or malpractice expenses.

HCFA Common Procedure Coding System (HCPCS) File

The HCPCS File contains codes and descriptions that represent procedures, supplies, products, and services performed or provided by a physician or supplier. The file contains three coding levels: Level I - CPT-4 codes, Level II - HCFA alpha-numeric codes, and Level III - carrier local codes. CPT-4 codes, procedure codes and descriptors maintained and copyrighted by the American Medical Association, primarily represent physician services. HCFA alpha-numeric codes, codes beginning with an alpha character of A through T, primarily represent items and non-physician services not covered by CPT-4 codes. Level II codes beginning with a D represent codes maintained and copyrighted by the American Dental Association. Carrier local codes, beginning with an alpha character of W through Z, are developed by the Medicare carriers for use at the local level. The HCPCS File also contains Level I, Level II, and Level III modifier codes and descriptions. Physicians and suppliers use modifiers with certain procedure codes to indicate that a procedure or service performed was altered by some specific circumstances but not changed in its definition or code.

HCFA Medicare Case-mix Index File

The HCFA Medicare Case-mix Index File contains Medicare case-mix index by provider number as published in the update to the Medicare Hospital PPS. Case-mix index is a measure of the relative cost of the cases treated by a hospital. Costs for a hospital are measured relative to the cost of the national average for all Medicare cases. DRG weights are used as a measure of the relative cost of hospital cases. Two versions of this file are created each year corresponding to the Notice of Proposed Rule Making (NPRM) and the Final Rule published in the *Federal Register*.

International Classification of Diseases - 9th Revision - Clinical Modification (ICD-9-CM) Diagnosis Codes File

The ICD-9-CM Diagnosis Codes File contains the ICD-9-CM diagnosis codes published jointly by HCFA and the Public Health Service (PHS). The ICD-9-CM classification scheme provides unique codes for diagnoses. These codes are used by HCFA, along with procedure codes, to group diagnoses into DRGs. DRGs are used to reimburse Medicare providers for the services submitted on claims.

International Classification of Diseases - 9th Revision - Clinical Modification (ICD-9-CM) Procedure Codes File

The ICD-9-CM Procedure Codes File contains the procedure codes published jointly by HCFA and the PHS. The ICD-9-CM classification scheme provides unique codes for surgical procedures. ICD-9-CM procedure codes are used, along with diagnosis codes, to group procedures into DRGs. DRGs are used to reimburse Medicare providers for the services submitted on claims.

Relative Value Units (RVUs) of the Medicare Physician Fee Schedule File

The Medicare Physician Fee Schedule File contains RVUs, or measures of the relative resource costs, for the services covered under the Medicare fee schedule. RVUs are used in conjunction with GPCIs and a conversion factor to compute payment amounts for services covered under the Medicare physician fee schedule. The total RVU for a service is the sum of three component RVUs: physician work RVU, practice expenses or overhead RVU, and professional liability insurance or malpractice cost RVU.

Physician work RVU reflects the physician resources required to furnish a service, including time and intensity of effort. Practice expenses or overhead RVU reflects the practice costs, excluding the cost of malpractice insurance, incurred by the physician to provide a medical service. Malpractice RVU reflects the cost of malpractice insurance associated with providing a particular service.

Hospital Wage Indices File

The Hospital Wage Indices File, used in PPS computations, contains indices created for each Metropolitan Statistical Area (MSA) and one rural area in each state. The wage indices are factors used to adjust the standardized amounts for area differences in hospital wage levels. The wage data used to create the indices is obtained from worksheet S-3, Parts II and III of the Hospital cost Report Information System (HCRIS). Prior to creating the wage indices the data is annualized to reflect a full year of wages and hours and the wages are inflated using an inflation factor based on the midpoint of the cost report period.

OTHER REFERENCE/RESOURCE DATA FILES

The files in this group provide references to information ranging from hospital finances and facilities to Medicare Fiscal Intermediary (FI) geographic areas. Such reference information is used by HCFA in conjunction with administrative and analytic files. The following files are included in this group:

- ! Carrier/Intermediary Workload Statistics
- ! Clinical Laboratory Improvement Amendments (CLIA) Database
- ! Prospective Payment System (PPS) Metropolitan Statistical Area/Business Enterprise Area (MSA/BEA)
- ! ZIP Code Directory

Carrier/Intermediary Workload Statistics File

The Carrier/Intermediary Workload Statistics File contains information submitted to HCFA by carriers and FIs on the HCFA Form 456, Intermediary Benefit Payment Report, which includes data on FIs only; the HCFA Form 1521, Contractor Financial Draws on Letter of Credit; and the HCFA Form 1522, Monthly Contractor Financial Report. These reports are used by HCFA to reconcile its accounts with information maintained by carriers and FIs.

Clinical Laboratory Improvement Amendments (CLIA) Database

The CLIA Database supports the CLIA amendments of the Public Health Service Act of 1988 that expanded DHHS authority to regulate all clinical laboratories. The CLIA 1988 amendments require that any entity performing laboratory testing be certified or have a certificate of waiver, and comply with the laboratory testing standards established by DHHS.

The CLIA Database provides descriptive information about all DHHS-certified laboratories. This information includes personnel, type of testing performed, proficiency data, testing volume, laboratory location, and the name of the laboratory director. Laboratories are required to provide HCFA with up-to-date information every two years.

The CLIA Database is a subsystem of Online Survey Certification and Reporting System (OSCAR). The database is organized by provider type and corresponding CLIA number. Further information regarding OSCAR can be found in the Provider of Services Data chapter in the Data Section of the guide.

Prospective Payment System (PPS) Metropolitan Statistical Area/Business Enterprise Area (MSA/BEA) File

The PPS MSA/BEA File contains crosswalk records that include the county name, FIPS state and county codes, SSA state and county codes, and MSA/BEA assignment of each state and county in

the nation. The file includes a history of MSA assignments since October 1983, and is updated only if there is a change in assignment.

ZIP Code Directory File

The ZIP Code Directory File contains a directory of all city and county ZIP Code jurisdictions in the United States.